

**Introduced by Committee on Public Employment and
Retirement (Senators Soto (Chair), Escutia, and Karnette)**

February 20, 2004

An act to amend Sections 31641.4 and 31664.65 of, and to add Section 31764.8 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1601, as introduced, Committee on Public Employment and Retirement. County employees' retirement: safety member benefits.

(1) The County Employees Retirement Law of 1937 prescribes a specified formula for the calculation of service retirement benefits for safety members and applies that formula to calculate the member's benefits when the member has purchased service credit for public service, as defined, or has rendered service as both a safety member and a general member. Existing law authorizes the county board of supervisors to adopt one of 2 alternative formulas for calculating retirement benefits for safety members.

Under this bill, those alternative formulas would also apply to calculate the member's benefits when the member has purchased service credit for public service, as defined, or has rendered service as both a safety member and a general member.

(2) Existing law authorizes a member of a retirement system subject to the County Employees Retirement Law of 1937 to elect from 4 optional settlements that provide the member with a reduced monthly retirement allowance for the member's life and specified additional benefits payable to the member's beneficiary.

This bill would, if adopted by the county board of supervisors, authorize a member to elect to receive his or her entire retirement

benefit in a lump-sum payment on retirement if his or her monthly retirement allowance is to be \$100 or less.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31641.4 of the Government Code is
2 amended to read:

3 31641.4. A member shall receive credit for employment in
4 public service only for ~~such~~ service ~~as he~~ for which he or she is not
5 entitled to receive a pension or retirement allowance from ~~such~~ the
6 public agency. The service for which he or she elects to contribute
7 and the fact that no pension or retirement allowance ~~will~~ shall
8 accrue to ~~such~~ the member by virtue of his or her employment in
9 ~~such~~ the public agency ~~must~~ shall be certified to by an officer of
10 the public agency ~~where~~ for which he or she rendered ~~such~~ the
11 public service or ~~must~~ shall be established to the satisfaction of the
12 board.

13 Notwithstanding any other provision of law, a safety member
14 who receives credit for prior employment in public service, the
15 principal duties of which consisted of active law enforcement or
16 active fire suppression, or active service in the armed services of
17 the United States during time of war or national emergency, shall
18 have his or her pension or retirement allowance for ~~such~~ that
19 service calculated on the same basis as the calculation of the
20 retirement allowance ~~such~~ the member would receive as a safety
21 member under Section 31664, 31664.1, or 31644.2.

22 A safety member who entered the service as a peace officer prior
23 to the establishment of the safety membership provisions in his or
24 her county shall be considered a safety member from his or her
25 initial hiring date, for the purposes of this section, notwithstanding
26 any other provision of law.

27 SEC. 2. Section 31664.65 of the Government Code is
28 amended to read:

29 31664.65. If a member retires with credit for time during
30 which he or she was not a safety member or a member of a system
31 established pursuant to either Chapter 4 (*commencing with Section*
32 *31900*) or Chapter 5 (*commencing with Section 32200*) of this part,
33 he or she shall receive for ~~such~~ that time:



(a) A retirement allowance calculated pursuant to Section 31664, 31664.1, or 31664.2 for time during which he *or she* was employed principally in active law enforcement or active fire suppression as described in Section 31470.2 or ~~Section~~ 31470.4 by a county, or by a district or court organized or existing within ~~such~~ *the* county, or was a member of a system established pursuant to either Chapter 4 (*commencing with Section 31900*) or Chapter 5 ~~of this part~~ (*commencing with Section 32200*), plus a retirement allowance calculated under either *subdivision* (b) or (c) of this section, whichever is applicable.

(b) A retirement allowance calculated pursuant to Section 31664, 31664.1, or 31664.2 for all prior county service with ~~such~~ *that* county, and for any public service credit for which the member has elected to receive pursuant to Section 31641.1 or 31641.5.

This subdivision shall apply only to a member who, when the board of supervisors pursuant to Section 31695.1 provides that provisions of this chapter relating to safety members shall apply to all employees of the county whose principal duties consist of active law enforcement or active fire suppression as defined in Section 31470.2 or 31470.4, was employed by the county principally in active law enforcement or active fire suppression as defined by ~~such~~ *those* sections and who elected to be included within ~~such~~ *those* safety member provisions at the time and in the manner prescribed by Section 31695.2.

(c) A retirement allowance calculated pursuant to Article 8 (*commencing with Section 31670*) of this chapter for time during which he *or she* was not engaged principally in active law enforcement or active fire suppression as described in Section 31470.2 or ~~Section~~ 31470.4, nor a member of a system established pursuant to either Chapter 4 (*commencing with Section 31900*) or Chapter 5 (*commencing with Section 32200*) of this part.

This subdivision shall apply to any member to whom subdivision (b) is not applicable.

~~The~~

(d) *The* provisions of this section shall be applicable irrespective of whether a member is, at the time of retirement, a safety member or a general member.

~~The provisions of this section shall supersede the provisions of Section 31664.6.~~

1 SEC. 3. Section 31764.8 is added to the Government Code, to
2 read:

3 31764.8. (a) Optional settlement 6 consists of the right to
4 have the actuarial present value of the member's entire retirement
5 benefit under this system, as calculated by the system's actuary,
6 paid to the member in a lump sum at the time of the member's
7 retirement. A member may elect optional settlement 6 only if his
8 or her retirement allowance is estimated to be less than or equal to
9 one hundred dollars (\$100) per month. The retirement system shall
10 provide the benefit estimate, at the member's request, and shall
11 advise the member, prior to retirement, of the monthly allowance
12 amount.

13 (b) This section is not operative in any county until the board
14 of supervisors, by resolution adopted by a majority vote, makes
15 this section operative in the county.

